DECLARATION OF MONIQUE MAURICE

- I, Monique Maurice, declare as follows:
- 1. I am a resident of the State of Colorado. I am over the age of 18 and have personal knowledge of all the facts stated herein, except to those matters stated upon information and belief; as to those matters, I believe them to be true. If called as a witness, I could and would testify competently to the matters set forth below.
- 2. I am currently employed by the Colorado Behavioral Health Administration as Chief Financial Officer.
- 3. As the Behavioral Health Administration Chief Financial Officer, I am responsible for the oversight, management and stewardship of all funds appropriated to the Colorado Behavioral Health Administration.
- 4. The Behavioral Health Administration, on March 24, 2025, received <u>four</u> award terminations from the U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA). The total value of the terminated awards was \$29,684,791. All terminations were "for cause" based on the end of the COVID pandemic, rather than failure of the Behavioral Health Administration to follow the terms or conditions of the grants. Each award termination provided on March 24, 2025, uses identical form language stating that, "[t]hese grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary."
- 5. On March 28, 2025, the Behavioral Health Administration received two additional termination notices from SAMHSA each stating it "supersedes" the prior respective notice of termination. The more recent terminations are also "for cause" based on the end of the

COVID pandemic, rather than failure of the Behavioral Health Administration to follow the terms or conditions of the grants. Using identical language, the more recent notices state that, "[t]he termination of this award is for cause. The block grant provisions at 42 U.S.C. §300x-55 permit termination if the state 'has materially failed to comply with the agreements or other conditions required for the receipt of a grant under the program involved.' The end of the pandemic provides cause to terminate COVID-related grants and cooperative agreements." The Descriptions of each award and the effects of these terminations follow.

- 6. Substance Abuse Prevention & Treatment Block Grant (FAIN# B08TI083931) (First **Grant for Prevention and Treatment)**
- 7. In 2021, SAMHSA invited applications for the First Grant for Prevention and Treatment.
- 8. On May 18, 2021, SAMHSA issued guidance outlining the purpose of the award and recommended uses of funds. Guidance indicates that SAMHSA expects recipients of funds to improve and enhance substance use services to account for the societal stress and distress over the emerging pandemic. The guidance received recommended states use funds in the following ways: 1) Develop and expand the use of FDA-approved medications and digital therapeutics as a part of additional treatment that can provide interactive, evidence-based behavioral therapies for the treatment of opioid use disorders, alcohol use disorders, tobacco disorders, along with the implementation of other evidence-based treatments and practices; 2) Provide increased access for those in need of substance use disorder treatment services; 3) Direct critical resources in expanding broad-based state and local community strategies in addressing the overdose epidemic, involving prevention, intervention, treatment and recovery support services; 4) Improve information technology infrastructure to remotely meet with individuals in need of

services particularly in rural or frontier areas; 5) The adoption of health information technology to improve access and coordination of substance use disorder services; 6) Advance telehealth opportunities to expand services for hard-to-reach locations; 7) Enhance the primary prevention infrastructure within the state and communities using the Strategic Prevention Framework planning model and implementing the evidence-based practices; 8) Consider incorporating strategies around adverse childhood experiences to improve substance misuse outcomes among all populations; 9) Support expansion of peer-based recovery support services.].

- 9. As set out in its grant proposal, the Behavioral Health Administration intended to use the First Grant for Prevention and Treatment to enhance services for primary prevention, address service gaps within Tribal populations related to substance use disorder, improved crisis interventions, increase access to substance use treatment modalities, increase access to recovery support services, reduce barriers to treatment admission, increase access to Medication Assisted Treatment, promote client engagement and retention in treatment and recovery support services, expand recovery residence capacity, and support substance use disorder clinical priorities and interoperable data exchange using standards outlined in 45 CFR 170 where applicable.
- 10. Colorado received a notice of award indicating the approval of the submitted application on September 17, 2021, and received \$23,406,309 in support of the proposed projects. The initial project period established for the grant award was September 1, 2021 through September 30, 2025, and the notice of award indicated 14 standard terms of award. Colorado was not planning on seeking an extension to the grant project period and planned to conclude spending on September 30, 2025.

- 11. On May 17, 2021, SAMHSA produced a Notice of Award setting forth the terms and conditions of the grant award. A true and correct copy of the corresponding Notice of Award and its attachments, dated May 17, 2021, is attached as part of Exhibit A.
- 12. Since May 2021, the Behavioral Health Administration has used the First Grant for Prevention and Treatment grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant and SAMHSA's grant application.
- 13. Colorado has expended funds to address gaps in peer service provision within communities of need; improvements to the Colorado Crisis Line; expansion of recovery support services; peer services for individuals who are considered high acuity; recovery housing assistance; interventions for children, youth, and families; increased programming for pregnant women and women with dependent children; expansion of residential, involuntary commitment and withdrawal management services; enhanced primary prevention services; improvements to the Learning Management System; improvements for data interoperability; and strengthening Colorado's behavioral health workforce. Funds are supporting the state's most vulnerable populations and have been providing life-saving interventions through contracts with numerous subrecipients.
- 14. Recipients of funds are required to submit annual reports on December 1st of each year throughout the project period. Colorado has maintained compliance with this requirement and SAMHSA has not communicated any compliance concerns regarding this award.
- 15. On March 24, 2025, without any prior notice or indication, SAMHSA informed the Behavioral Health Administration that effective March 24, 2025 its First Grant for Prevention and Treatment was being terminated. A true and correct copy of the grant award termination notice is attached as Exhibit B.

16. As basis for the termination of the First Grant for Prevention and Treatment, SAMHSA provided as follows:

During the COVID-19 pandemic, the Substance Abuse and Mental Health Services Administration (SAMHSA) awarded several pandemic-related grants including the funded <u>Coronavirus Preparedness and Response Supplemental Appropriations Act</u>, 2020 (H.R.6074) (CRRSA) which provided funds to respond to the coronavirus outbreak and the <u>American Rescue Plan</u> (ARP) Act of 2021(H.R. 1319) which provided additional relief to address the continued impact of COVID-19 (i.e., coronavirus disease 2019) on the economy, public health, state and local governments, individuals, and businesses....

On April 10, 2023, President Biden signed PL 188-3 terminating the national emergency concerning the COVID-19 pandemic. Consistent with the President's Executive Order 14222, Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative requiring a comprehensive review of SAMHSA grants, and where appropriate and consistent with applicable law, terminate such grants to reduce the overall Federal spending this grant is being terminated effective March 24, 2025. These grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.

- 17. The receipt of the termination notice was irregular, as SAMHSA does not typically terminate grant awards that are within the period of performance without advance notice. The notice of termination was received during business hours within Colorado; however, the notice was sent outside of SAMHSA's business hours at 5:38pm Eastern Time.
- 18. The Behavioral Health Administration relied and acted upon its expectation and understanding that SAMHSA would fulfill its commitment to provide the First Grant for Prevention and Treatment funding it had awarded to the Behavioral Health Administration. The Behavioral Health Administration has relied on the availability of these funds to support vulnerable populations in need of increased behavioral health support and the lack of prior notice and sudden termination of funding will have a negative impact on subrecipients and citizens of

Colorado. The inability for subrecipients to access funds obligated in State Fiscal Year 2025 contracts will result in financial hardship for subrecipients, unexpected reductions in workforce, and a significant and sudden reduction in behavioral health service access.

- 19. The termination of funds will result in harmful impacts to all communities throughout the state of Colorado, and will have a particularly negative impact on the most vulnerable, including individuals experiencing a behavioral health crisis; high risk children, youth and families; pregnant women and women with dependent children in need of substance use services; individuals at risk of fatality due to overdose; increased risk of homelessness for individuals residing in recovery residences; and individuals who receive substance use treatment services.
- 20. Prior to the grant award termination on March 24, 2025, SAMHSA did not provide the Behavioral Health Administration with notice, written or otherwise, that the FirstGrant for Prevention and Treatment administered by the Behavioral Health Administration was in any way unsatisfactory.

21. Substance Abuse Prevention & Treatment Block Grant (FAIN# B08TI084572) (Second Grant for Prevention and Treatment)

- 22. In 2021, SAMHSA invited applications for the Second Grant for Prevention and Treatment.
- 23. On August 10, 2021, SAMHSA issued guidance to states which indicated funding was being provided to states to expand testing and mitigation resources to prevent, prepare for, and respond to COVID-19, particularly for people with substance use disorders seeking behavioral health interventions. SAMHSA provided a list of examples of allowable expenses, and further indicated that the list of examples they provided was not exhaustive. The guidance

provided that any activity not included on the list must be directly related to COVID-19 testing and mitigation. The list of examples includes the following: 1) Coordinating with state and local health departments to determine how to better align COVID-19 mitigation efforts; 2) Testing education, establishment of testing sites, test result processing, and engaging in other activities within the CDC Mitigation Framework to address COVID-19; 3) Rapid onsite COVID-19 testing and facilitation of access to testing services and facilitating access to behavioral health services; 4) Behavioral health services for those in short-term housing for people who are at high risk for infection; 5) Testing for staff and consumers in shelters, group homes, residential treatment facilities, day programs, and room and board programs; to include purchase of resources for ongoing testing, hire workers to coordinate resources, and to procure COVID tests and other mitigation supplies such as handwashing stations, hand sanitizer, and masks; 6) Funds may be used to relieve the financial costs for the administration of tests and the purchasing of supplies necessary for administration such as personal protective equipment, supporting mobile mental health units; 7) Utilizing networks to promote awareness of the availability of funds, assist with providers with accessing funds, and ensure resources to mitigate COVID-19 are accessible in under-served, under-resourced, and marginalized communities; 8) Expanding local or tribal programs to implement COVID-response services for those connected to behavioral health services; 9) Providing subawards to eligible entities for programs within the state that are designed to reduce the impact of substance abuse and mental illness; funding could be used for administrative expenses of the facilities to provide onsite testing and mobile health services; 10) Implementing strategies to address consumer hesitancy around testing; 11) Install temporary structures to support testing and mitigation, 12) Education, rehabilitation, prevention, treatment

and support services for symptoms occurring after recovery from acute COVID-19; 13) Other

activities to promote COVID-19 testing; 14) Promoting behaviors that prevent the spread of COVID-19; 15) Maintaining healthy environments (clean and disinfect, proper ventilation systems, barriers to support social distancing); 16) Behavioral health services to staff working as contract tracers; 17) Working with consumers to discuss test results, provide instructions for selfisolation, and access patient symptom history; and 18) Conducting contract tracing to notify individuals of their potential contact to the COVID-19 virus. .

- 24. As set out in its grant proposal, the Behavioral Health Administration intended to use the Second Grant for Prevention and Treatment to provide COVID-19 testing and mitigation to substance use treatment and behavioral health crisis organizations to enhance the safety of consumers and reduce the risk of infection.
- Colorado received a notice of award on August 10, 2021 indicating approval of 25. Colorado's proposed activities and awarded \$970,369 to use within the project period of September 1, 2021 through September 30, 2025. The Behavioral Health Administration was not planning to seek an extension of the grant. The notice of award indicated 16 standard terms of award.
- 26. On August 10, 2021, SAMHSA produced a Notice of Award setting forth the terms and conditions of the grant award. A true and correct copy of the corresponding Notice of Award and its attachments is attached as part of Exhibit A.
- 27. Since September 2021, the Behavioral Health Administration has used the Second Grant for Prevention and Treatment grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant and SAMHSA's grant application.
- 28. Funds have been expended to prevent the spread of COVID-19 within Colorado's network of substance use disorder and crisis service organizations through the purchase of

personal protective equipment, testing supplies, and sanitation supplies such as hand sanitizer and disinfecting wipes.

- 29. This award requires recipients to submit annual reports by December 31 throughout the period of performance. Colorado has maintained compliance with this requirement and all reports have been accepted by SAMHSA without revision.
- 30. On March 24, 2025, without prior notice or indication, SAMHSA informed the Behavioral Health Administration that effective March 24, 2025 its Second Grant for Prevention and Treatment was being terminated. Then, on March 28, 2025, SAMHSA provided a second notice of termination providing that it, "replaces and supersedes the previous notice." True and correct copies of the grant award termination notices are attached as Exhibits B and C.
- 31. As basis for the termination of the Second Grant for Prevention and Treatment, SAMHSA provided in the First Notice of Termination as follows:

During the COVID-19 pandemic, the Substance Abuse and Mental Health Services Administration (SAMHSA) awarded several pandemic-related grants including the funded Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (H.R.6074) (CRRSA) which provided funds to respond to the coronavirus outbreak and the American Rescue Plan (ARP) Act of 2021(H.R. 1319) which provided additional relief to address the continued impact of COVID-19 (i.e., coronavirus disease 2019) on the economy, public health, state and local governments, individuals, and businesses....

On April 10, 2023, President Biden signed PL 188-3 terminating the national emergency concerning the COVID-19 pandemic. Consistent with the President's Executive Order 14222, Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative requiring a comprehensive review of SAMHSA grants, and where appropriate and consistent with applicable law, terminate such grants to reduce the overall Federal spending this grant is being terminated effective March 24, 2025. These grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.

32. As basis for the termination of the Second Grant for Prevention and Treatment, SAMHSA provided in the Second Notice of Termination as follows:

During the COVID-19 pandemic, the Substance Abuse and Mental Health Services Administration (SAMHSA) awarded several pandemic-related grants funded by the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) which provided funds to respond to the coronavirus outbreak and the American Rescue Plan (ARP) Act which provided additional relief to address the continued impact of COVID-19.

The termination of this award is for cause. The block grant provisions at 42 U.S.C. §300x-55 permit termination if the state "has materially failed to comply with the agreements or other conditions required for the receipt of a grant under the program involved." The end of the pandemic provides cause to terminate COVID-related grants and cooperative agreements. These grants and cooperative agreements were issued for a limited purpose: to ameliorate the effects of the pandemic. Now that the pandemic is over, the grants and cooperative agreements are no longer necessary as their limited purpose has run out. Termination of this award is effective as of 11:59PM EDT, March 24, 2025.

- 33. The receipt of the termination notice was irregular, as SAMHSA does not typically terminate grant awards that are within the period of performance without advance notice. The notice of termination was received during business hours within Colorado; however, the notice was sent outside of SAMHSA's business hours at 5:38pm Eastern Time..
- 34. The Behavioral Health Administration relied and acted upon its expectation and understanding that SAMHSA would fulfill its commitment to provide the Second Grant for Prevention and Treatment funding it had awarded to the Behavioral Health Administration. The Behavioral Health Administration has relied on the expectation of these funds to prevent risk of infection to consumers of services and providers of services. The inability for subrecipients to access funds obligated for the remainder of State Fiscal Year 2025 will result in a reduction in activities to prevent the infection. Losing this funding will result in staff layoffs and a reduction in services for clients. Without these supports, clients may decompensate and increase the likelihood of being in and out of hospitals, jails and homeless shelters. In addition, they are more

likely to turn to substance abuse and experience those consequences. Currently, the Behavioral Health Administration is aware of 680 clients in Assertive Community Treatment programs that will be impacted by this funding cut. The loss of this funding will result in staff layoffs and reduction or elimination of critical services for many who have just left treatment, incarceration, or houselessness and an overall loss in service for those struggling with behavioral health crises and Individuals experiencing longer wait times to talk to crisis specialists. This will negatively impact 250+ individuals annually. Further, Coloradans will have significantly reduced access to life-saving naloxone which is used to reduce/prevent death from opioid overdose, which directly conflicts with the Opioid Crisis Public Health Emergency declared by HHS Secretary Robert F Kennedy Jr on March 18, 2025.

35. Prior to the grant award termination on March 24, 2025, SAMHSA did not provide the Behavioral Health Administration with notice, written or otherwise, that the Second Grant for Prevention and Treatment administered by the Behavioral Health Administration was in any way unsatisfactory.

36. Block Grants for Community Mental Health Services (FAIN# B09SM085338) (First Grant for Community MHS)

- 37. In 2021, SAMHSA invited applications for the First Grant for Community MHS.
- 38. SAMHSA indicated States must spend the Mental Health Block Grant (MHBG) funds based on 42 U.S.C. Chapter 6A, Subchapter XVII, Part B, Subpart I: Block Grants for Community Mental Health Services for adults with serious mental illness (SMI) and children with serious emotional disturbance (SED). Consistent with HHS Disaster Relief Flexibilities, SAMHSA may waive requirements with respect to allowable activities, timelines, or reporting requirements for the MHBG, as deemed necessary to facilitate a grantee's response to

#· 1597

Filed 04/01/25 Page 12 of 30 PageID

coronavirus. SAMHSA recommended states use the grant funds to develop or enhance the following: 1) Develop partnerships with the emerging Suicide Lifeline (9-8-8) systems, Law Enforcement, EMS, health care providers, housing authorities, Housing and Urban Development (HUD) Continuum of Care, hospital systems, peer-based recovery organizations, and substance use specific treatment providers, all of whom have a critical role in the crisis continuum; 2) Utilize five percent of funds for crisis services; 3) A comprehensive 24/7 crisis continuum for children including screening and assessment; mobile crisis response and stabilization; residential crisis services; psychiatric consultation; referrals and warm hand-offs to home- and communitybased services; and ongoing care coordination; 4) Provide increased outpatient access, including same-day or next-day appointments, for those in crisis; 5) Improve information technology infrastructure, including the availability of broadband and cellular technology for providers, especially in rural and frontier areas; use of GPS, to expedite response times, and to remotely meet with the individual in crisis; 6) The adoption and use of health information technology, such as electronic health records, to improve access to and coordination of behavioral health services and care delivery; 7) Consider digital platforms, such as Network of Care, which facilitate access to behavioral health services for persons with SMI-SED; 8) Advance telehealth opportunities to expand crisis services for hard to reach locations, especially rural and frontier areas. Expand technology options for callers, including the use of texting, telephone, and telehealth. Note: States cannot use the funds to purchase any items for consumers/clients; 9) Implement an electronic bed registry that coordinates with existing HHS provider directory efforts and treatment locator system that will help people access information on crisis bed facilities, including their locations, available services, and contact information; 10) Support for crisis and school-based services that promote access to care for children with SED; 11)Develop

medication-assisted treatment (MAT) protocols to assist children and adults who are in crisis, which may leverage telehealth when possible; 12) Expand Assisted Outpatient Treatment (AOT) services; 13) Develop outpatient intensive Crisis Stabilization Teams to avert and address crisis; and 14) Technical Assistance for the development of enhanced treatment and recovery support services including planning for Certified Community Behavioral Health Clinics.

- 39. As set out in its grant proposal, the Behavioral Health Administration intended to use the First Grant for Community MHS to provide increased peer support services within underresourced communities, high-acuity individuals, and justice-involved individuals; improvements to the Learning Management System; strengthen Colorado's behavioral health workforce; expand local and regional behavioral health disorder treatment and recovery programs; expand safety net services for enhanced outpatient and/or comprehensive behavioral health services; expansion of Individual Placement and Support services; expansion of recovery housing access; expansion of mobile crisis response; improvements to rural facility-based crisis services; bridge gaps in perinatal behavioral healthcare for pregnant women and postpartum women; expand First Episode of Psychosis programming; increase availability of Assertive Community Treatment; and increased interventions for children, youth and families. The programs funded by this grant are supporting vulnerable individuals throughout the state and provide life-saving interventions to individuals experiencing behavioral health emergencies.
- 40. A notice of award was issued for this grant on May 17, 2021, in the amount of \$28,051,679 and the notice included 15 standard grant terms. The project period for the award was September 1, 2021 through September 30, 2025. The Behavioral Health Administration was not planning to seek an extension of this grant.

- 41. On May 17, 2021, SAMHSA produced a Notice of Award setting forth the terms and conditions of the grant award. A true and correct copy of the corresponding Notice of Award and its attachments is attached as part of Exhibit A.
- 42. Since September 2021, the Behavioral Health Administration has used the First Grant for Community MHS grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant and SAMHSA's grant application.
- 43. Colorado has expended funds as described in the initial application by providing increased peer support services within under-resourced communities, high-acuity individuals, and justice-involved individuals; making improvements to the Learning Management System; strengthening Colorado's behavioral health workforce; expanding local and regional behavioral health disorder treatment and recovery programs; expanding safety net services for enhanced outpatient and/or comprehensive behavioral health services; expansion of Individual Placement and Support services; expansion of recovery housing access; expansion of mobile crisis response; improvements to rural facility-based crisis services; bridging gaps in perinatal behavioral healthcare for pregnant women and postpartum women; expanding First Episode of Psychosis programming; increasing availability of Assertive Community Treatment; and increasing interventions for children, youth and families.
- 44. Recipients of funds are required to submit annual reports on December 1st throughout the period of performance. Behavioral Health Administration has maintained compliance with this requirement and SAMHSA has approved the reports that have been submitted. The federal project officer assigned to this grant has met with the Behavioral Health Administration on a monthly basis to review spending data and uses of funds; no issues have been raised during these regular meetings.

45. On March 24, 2025, without any prior notice or indication, SAMHSA informed the Behavioral Health Administration that effective March 24, 2025 its First Grant for Community MHS was being terminated. A true and correct copy of the grant award termination notice is attached as Exhibit B.

#: 1600

46. As basis for the termination of the First Grant for Community MHS, SAMHSA provided as follows:

> During the COVID-19 pandemic, the Substance Abuse and Mental Health Services Administration (SAMHSA) awarded several pandemic-related grants including the funded Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (H.R.6074) (CRRSA) which provided funds to respond to the coronavirus outbreak and the American Rescue Plan (ARP) Act of 2021(H.R. 1319) which provided additional relief to address the continued impact of COVID-19 (i.e., coronavirus disease 2019) on the economy, public health, state and local governments, individuals, and businesses....

> On April 10, 2023, President Biden signed PL 188-3 terminating the national emergency concerning the COVID-19 pandemic. Consistent with the President's Executive Order 14222, Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative requiring a comprehensive review of SAMHSA grants, and where appropriate and consistent with applicable law, terminate such grants to reduce the overall Federal spending this grant is being terminated effective March 24, 2025. These grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.

- 47. The receipt of the termination notice was irregular, as SAMHSA does not typically terminate grant awards that are within the period of performance without any advance notice. The notice of termination was received during business hours within Colorado; however, the notice was sent outside of SAMHSA's business hours at 5:39pm Eastern Time.
- 48. The Behavioral Health Administration relied and acted upon its expectation and understanding that SAMHSA would fulfill its commitment to provide the First Grant for

Community MHS funding it had awarded to the Behavioral Health Administration. The Behavioral Health Administration has relied on the availability of these funds to support vulnerable populations in need of increased behavioral health support and the lack of prior notice and sudden termination of funding will have a drastic impact on subrecipients and citizens of Colorado. The inability for subrecipients to access funds obligated in State Fiscal Year 2025 contracts will result in financial hardship for subrecipients, reduction in workforce, and a significant and sudden reduction in behavioral health service access.

- 49. The termination of funds will result in a harmful impact to all communities throughout the state of Colorado, and will have a particularly negative impact on the most vulnerable, including individuals experiencing a behavioral health crisis; high risk children, youth and families; individuals with serious mental illness; increased risk of homelessness for individuals residing in recovery residences; and individuals who are receiving or seeking behavioral health services. The untimely termination of this award will have a significant impact on the ability to operate the crisis continuum throughout the state and will impact Colorado's behavioral health work force, as the loss of these funds will likely result in a reduction in force within direct service providers throughout the state.
- Prior to the grant award termination on March 24, 2025, SAMHSA did not 50. provide the Behavioral Health Administration with notice, written or otherwise, that the First Grant for Community MHS administered by the Behavioral Health Administration was in any way unsatisfactory.
- 51. Block Grants for Community Mental Health Services (FAIN# B09SM085865) (Second **Grant for Community MHS**)

#: 1602

- 52. In 2021, SAMHSA invited applications for the Second Grant for Community MHS.
- 53. On August 10, 2021, SAMHSA issued guidance to states which indicated funding was being provided to states to expand testing and mitigation resources to prevent, prepare for, and respond to COVID-19, particularly for people with substance use disorders seeking behavioral health interventions. SAMHSA provided a list of examples of allowable expenses and further indicated that the list of examples they provided was not exhaustive. The guidance furthered that any activity not included on the list must be directly related to COVID-19 testing and mitigation. The list of examples includes the following: 1) coordinate with state and local health departments to determine how to better align COVID-19 mitigation efforts; 2) testing education, establishment of testing sites, test result processing, and engaging in other activities within the CDC Mitigation Framework to address COVID-19; 3) rapid onsite COVID-19 testing and facilitation of access to testing services and facilitating access to behavioral health services; 4) behavioral health services for those in short-term housing for people who are at high risk for infection; 5) testing for staff and consumers in shelters, group homes, residential treatment facilities, day programs, and room and board programs to include purchase of resources for ongoing testing, hire workers to coordinate resources, and to procure COVID tests and other mitigation supplies such as handwashing stations, hand sanitizer, and masks; 6) funds may be used to relieve the financial costs for the administration of test and the purchasing of supplies necessary for administration such as personal protective equipment, supporting mobile mental health units; 7) utilize networks to promote awareness of the availability of funds, assist with providers with accessing funds, and ensure resources to mitigate COVID-19 are accessible in under-served, under-resourced, and marginalized communities; 8) expanding local or tribal

programs to implement COVID-response services for those connected to behavioral health services; 9) provide subawards to eligible entities for programs within the state that are designed to reduce the impact of substance abuse and mental illness; funding could be used for administrative expenses of the facilities to provide onsite testing and mobile health services; 10) implement strategies to address consumer hesitancy around testing; 11) install temporary structures to support testing and mitigation; 12) education, rehabilitation, prevention, treatment and support services for symptoms occurring after recovery from acute COVID-19; 13) other activities to promote COVID-19 testing; 14) promote behaviors that prevent the spread of COVID-19; 15) maintain healthy environments (clean and disinfect, proper ventilation systems, barriers to support social distancing); 16) behavioral health services to staff working as contract tracers; 17) work with consumers to discuss test results, provide instructions for self-isolation, and access patient symptom history; and 18) conduct contact tracing to notify individuals of their potential contact to the COVID-19 virus.

- 54. As set out in its grant proposal, the Behavioral Health Administration intended to use the Second Grant for Community MHS to provide COVID-19 testing and mitigation funds to mental health and behavioral health crisis organizations to enhance the safety of consumers and reduce the risk of infection.
- 55. Colorado received a notice of award on August 10, 2021 indicating approval of Colorado's proposed activities and awarded \$965,361 to use within the project period of September 1, 2021 through September 30, 2025. The Behavioral Health Administration was not planning to seek an extension of the grant. The notice of award indicated 15 standard terms of award..

- 56. On August 10, 2021, SAMHSA produced a Notice of Award setting forth the terms and conditions of the grant award. A true and correct copy of the corresponding Notice of Award and its attachments are attached as part of Exhibit A.
- 57. Since September 2021, the Behavioral Health Administration has used the Second Grant for Community MHS grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant and SAMHSA's grant application.
- 58. Funds have been expended to prevent the spread of COVID-19 within Colorado's network of substance use disorder and crisis service organizations through the purchase of personal protective equipment, testing supplies, and sanitation supplies such as hand sanitizer and disinfecting wipes.
- 59. This award requires recipients to submit annual reports by December 31 throughout the period of performance. Colorado has maintained compliance with this requirement and all reports have been accepted by SAMHSA without revision.
- 60. On March 24, 2025, without any prior notice or indication, SAMHSA informed the Behavioral Health Administration that effective March 24, 2025 its Second Grant for Community MHS was being terminated. Then, on March 28, 2025, SAMHSA provided a second notice of termination providing that it, "replaces and supersedes the previous notice." True and correct copies of the grant award termination notices are attached as Exhibits B and C.
- As basis for the termination of the Second Grant for Community MHS, SAMHSA 61. provided in the First Notice of Termination as follows:

During the COVID-19 pandemic, the Substance Abuse and Mental Health Services Administration (SAMHSA) awarded several pandemic-related grants including the funded Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (H.R.6074) (CRRSA) which provided funds to respond to the coronavirus outbreak and the

2021(H.R. 1319) which provided additional relief to address the continued impact of COVID-19 (i.e., coronavirus disease 2019) on the economy, public health, state and local governments, individuals, and businesses....

On April 10, 2023, President Biden signed PL 188-3 terminating the national emergency concerning the COVID-19 pandemic. Consistent with the President's Executive Order 14222, Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative requiring a comprehensive review of SAMHSA grants, and where appropriate and consistent with applicable law, terminate such grants to reduce the overall Federal spending this grant is being terminated effective March 24, 2025. These grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.

62. As basis for the termination of the Second Grant for Community MHS, SAMHSA provided in the Second Notice of Termination as follows:

> During the COVID-19 pandemic, the Substance Abuse and Mental Health Services Administration (SAMHSA) awarded several pandemic-related grants funded by the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) which provided funds to respond to the coronavirus outbreak and the American Rescue Plan (ARP) Act which provided additional relief to address the continued impact of COVID-19.

> The termination of this award is for cause. The block grant provisions at 42 U.S.C. §300x-55 permit termination if the state "has materially failed to comply with the agreements or other conditions required for the receipt of a grant under the program involved." The end of the pandemic provides cause to terminate COVID-related grants and cooperative agreements. These grants and cooperative agreements were issued for a limited purpose: to ameliorate the effects of the pandemic. Now that the pandemic is over, the grants and cooperative agreements are no longer necessary as their limited purpose has run out. Termination of this award is effective as of 11:59PM EDT, March 24, 2025.

63. The receipt of the termination notice was irregular, as SAMHSA does not typically terminate grant awards that are within the period of performance without advance notice. The notice of termination was received during business hours within Colorado; however, the notice was sent outside of SAMHSA's business hours at 5:39pm Eastern Time...

- 64. The Behavioral Health Administration relied and acted upon its expectation and understanding that SAMHSA would fulfill its commitment to provide the Second Grant for Community MHS funding it had awarded to the Behavioral Health Administration. The Behavioral Health Administration has relied on the expectation of these funds to prevent risk of infection to consumers of services and providers of services. The inability for subrecipients to access funds obligated in State Fiscal Year 2025 contracts will result in a reduction in activities to prevent the infection.
- SAMHSA's funding termination will impact 68 BHA grantees around the State of 65. Colorado that provide necessary, sometimes lifesaving, services to vulnerable Coloradoans experiencing serious mental illness and/or substance use disorders. The termination notices will have a devastating impact on the services these agencies provide. Some of the agencies negatively affected by termination of these grant funds include, but are not limited to, the following:
 - Assertive Community Treatment (ACT) programs are designed to serve adults with serious mental illness who have not responded well to traditional treatment. This is an evidence- based practice proven to reduce hospitalizations, emergency department visits and law enforcement contacts. Most of these clients are covered by Medicaid. Medicaid reimbursement does not cover the full cost of providing this care. The BHA used the terminated funds to help these providers meet the increased demand for this vital service. Losing these funds will likely result in staff layoffs and a reduction in services for clients. Currently, there are 680 clients in ACT programs around Colorado that will be negatively impacted by termination of these funds.

- based, Individual Placement and Support model of supported employment. This program helps people with serious mental illness or those with mental illness and co-occurring substance use disorders to find competitive employment in their community. The seven programs funded by these grants have served upwards of 500 people throughout Colorado. Four out of the seven programs serve rural areas that generally have fewer resources to serve its citizens with mental illnesses or substance use disorders. This program reduces symptoms, as well as the amount of behavioral health services needed for participants and connects employers with needed employees. Losing these funds will result in staff layoffs and reduction or elimination of this service for clients through these agencies.
- The BHA's regional Administrative Services Organizations (ASOs) and starting in July 2025, our BHASOs, manage the affected funds to support the pilot Crisis Resolution Teams (CRT) project. CRTs provide intensive in-home services to families with a youth experiencing a mental health crisis. Well over 90% of the families who have received CRT services avoided an out of home placement. This program was started originally with state funding. When that funding was eliminated, the BHA prioritized continuation with both our standard Block Grant as well as Block Grant Stimulus funding. The loss of the stimulus funding may result in the termination of these programs which are used by families currently receiving services.
- Funding affected by the recent termination is also used to support Mobile Crisis

 Response. This is a service that can be dispatched by our 988 and Colorado Crisis

Line vendor in Colorado. When indicated, a paired response of crisis professionals

can respond to a person's home. They respond within 1 hour in urban areas and within 2 hours in rural areas. Loss of the affected funding will put strain on the providers to be able to maintain these response rates. While core (ongoing) block grant dollars are dedicated for this purpose, and the 988 Enterprise Board has dedicated funding from the terminated grants for this year, the immediate impact of losing these funds may mean service interruptions for the duration of the grant term. Without this service, people may rely on 91, Emergency Department services and a potential increase in may see suicide deaths rates due to lack of mobile crisis responses.

Affected funds are also used to support people in recovery with the cost of their stay in a Colorado Agency for Recovery Residence (CARR) certified recovery residence when they cannot afford it themselves. Funds used towards CARR costs support the most vulnerable and financially unstable with a scholarship to help remove financial barriers to treatment. Removal of financial barriers allows individuals to focus on sobriety and treatment goals, as opposed to scrambling to cover rent. Many of these individuals have just left treatment, incarceration, or houselessness. Scholarships provide a bridge during this transition period, creating stability for the residence. The BHA manages roughly \$4M in state funding for this purpose to support the program's demand. The loss of these funds will reduce the amount of people served. Our MSOs/BHASOs will need to increase eligibility limits to maximize the reduced funding.

- Support for the Latin X population: The affected funding also supports Peer Support for the Latin X population. This program was created to provide Peer Support Specialists for the Spanish speaking community. Peer Support Specialists have lived experience and have a unique way of helping this population by building authentic relationships based on shared experiences. This work strengthens long term recovery, promoting wellness, and restores trust in systems. Peer Support programs also bolster the Latinx community by strengthening and expanding community bonds and fostering belonging. Loss of the affected funds will likely result in layoffs and a loss of important recovery support services for this vulnerable population. These funds were also awarded to a few grantees providing direct peer support services to vulnerable populations. Loss of these funds will likely result in staff layoffs for these vendors and a loss of necessary services for vulnerable populations.
- Ascent provides community-based and evidence-based treatment services and supports to youth and young adults 15-29 years old who have experienced an early onset of psychotic spectrum illness. Early intervention is critical to treating serious mental illness before it causes tragic results like serious impairment, unemployment, homelessness, poverty, and suicide. Earlier intervention not only reduces acute symptoms but may also improve long-term prognosis. Ascent serves about 250 clients per year. The goal of Ascent is to quickly stabilize and reduce symptoms of psychosis. Ascent provides the following services: individual, family, and group therapy; family education and support; case management; specialist education and employment services; nurse support; medication management; peer support; and community outreach and education. HR1319 funds provide about 35% of the total

services.

budget of Ascent and are included in the budgets of nine of the eleven Ascent providers. The immediate impact of losing this funding is profound. Community members who are in critical need of support will find themselves without a reliable safety net during moments of vulnerability. This disruption can lead to an increase in mental health crisis, relapse rates, and general erosion of trust in community-based health services. The peer support specialist, trained in trauma-informed care, will lose their positions, which not only disrupts the lives of these skilled workers but also diminishes the community's capacity to respond effectively to crises. Individuals will lose access to their existing treatment providers. In the long term, the cessation of this funding undermines the sustainability of recovery and wellness initiatives. The community risks losing a critical support system that has been pivotal in reducing stigma, promoting culturally relevant care, and fostering connections among individuals in recovery. At least several hundred community members who rely on this program for stability and support are now at risk of experiencing setbacks in their recovery and overall mental well-being which affects both individuals and their broader networks of families and community structures who depend on these

Naloxone Bulk Purchase Fund: The purpose of the Naloxone Bulk Purchase Fund is to provide life-saving naloxone to eligible entities based on a priority plan within the State of Colorado. The terminated funding amounts to approximately 100,000 kits of life-saving naloxone which is used to reverse opioid overdoses that will result in death. Each kit contains two 4mg intranasal spray doses of naloxone. The Bulk Fund provides naloxone to local government agencies, school districts, harm reduction

agencies, law enforcement, first responders, correctional facilities, probation departments, and mental health professionals. The Bulk Fund is a lifesaving resource for Coloradans who, without it, will have significantly reduced access to life saving naloxone to reduce opioid overdose deaths. This directly conflicts with responding to the ongoing Opioid Crisis Public Health Emergency as declared by HHS Secretary Robert F Kennedy Jr on March 18, 2025. In the short term, loss of these funds will lead to reduced access to naloxone for entities that serve people who use opioids and subsequently people will die preventable deaths.

66. The BHA has utilized affected funding (Stimulus Block Grants, HR1319) to purchase the following services. Funding cuts for each of these programs will mean fewer individuals are served or programs will be entirely terminated:

Tough As A Mother Campaign efforts

The purpose of the Tough as a Mother campaign is to decrease stigma around maternal substance use disorder, to educate Colorado communities and providers about maternal substance use disorder, and to increase awareness and utilization of statewide treatment and recovery resources by two priority populations: women with substance use disorder who have dependent children, and pregnant women with substance use disorder.

High Acuity Peers

The purpose of this section is to provide peer navigator services for all
 Involuntary Commitment clients, pregnant and parenting women, and other high
 acuity clients if capacity allows.

• High Risk Families

 Funding is used to provide services to high-risk parents, including pregnant and parenting women, with substance use disorders and for services for high-risk families including pregnant and parenting women.

• Recovery Supports Services

 The purpose of this project is to provide Recovery Support Service resources for substance use disorder (SUD) treatment providers, allied health organizations and other contracted/sub-contracted entities to deliver peer delivered recovery support services.

Recovery Housing Assistance

The aim is to provide housing stability for people in recovery from a substance use disorder in a certified Colorado recovery residence. These funds are to support Colorado residents who are in recovery from a substance use disorder who temporarily are unable to afford the costs associated with living in a recovery residence located in Colorado.

• Individualized Placement Support (IPS)

The purpose of this is to increase competitive employment for individuals diagnosed with a substance use disorder (SUD) who are receiving services through a (SUD) treatment facility and to assist those individuals to live successfully in their communities.

Recovery Residence Expansion

The purpose of this project is to expand democratically run, chartered Oxford Houses, recovery residences, with specific priority to creating houses for women with children in proximity to existing Special Connections and other gender responsive treatment programs.

Workforce Support/Expansion

The purpose of this project is to expand the Behavioral Healthcare workforce, specifically, Certified and Licensed Addiction Counselors and Colorado Peer and Family Specialists.

Recovery Coach Doula Programming

- The purpose of this Article is to create a preliminary blueprint to scale-up the University of Colorado College of Nursing Recovery Coach Doulas Program to provide care for Pregnant and Postpartum Individuals in Colorado (Scaling-up RCDs). The project will expand evidence-based recovery services for women with substance use disorder (SUD) for under- and uninsured individuals during pregnancy and through 12 months postpartum.
- Programs that strengthen and integrate local behavioral health services for pregnant and newly parenting families in multiple rural counties: Services include comprehensive behavioral health and social needs screening, intervention and referrals to treatment. This cease in funding cuts all community-based work for the remainder of FY25 in Eagle, Mesa and Montrose counties. <u>Immediate harms include</u>:

- Loss of care navigation services for approximately 435 pregnant and/or postpartum families with behavioral health and/or social needs.
- Loss of peer support coaches for pregnant and parenting women with substance use disorder
- Discontinuation of a perinatal substance use stigma reduction campaign (Tough as a Mother) with localized messaging, working to outreach pregnant and parenting mothers.
- Loss of technical assistance for outpatient medical clinics (OB/GYN, Pediatric, Family Medicine) working to implement SBIRT for behavioral health into the clinics which impacts 500 opportunities to screen perinatal patients for depression, 400 opportunities to screen perinatal patients for substance use and 74 opportunities to refer patients to additional mental health or substance use support
- Loss of funding to support program evaluation, which is used to ensure comprehensive progress reports, quality programming and efficient and effective use of funding.
- Loss of funding for BHA's vendor for this program (CPCQC), who is both a backbone organization for and implementer of the IMPACT BH program.
- Cancellation of workforce development initiatives, including perinatal mental health and substance use trainings impacting at least 30 participants already registered for trainings. Big picture, this affects the entire caseload of those 30 providers (ie. providers not being as well equipped to treat perinatal individuals equitably and with gold standard best practices.)
- Loss of funding to support 7 local continuum of care groups, with an average of 10 participants across clinical, community and government agencies at each meeting to collaboratively address gaps in perinatal behavioral health care.

I declare under penalty of perjury under the laws of the United States that, to the best of my knowledge, the foregoing is true and correct.

Document 4-11

#: 1615

Executed on March 28, 2025, at Denver, Colorado.

Monique Maurice

Chief Financial Officer

Behavioral Health Administration